

# Idaho Millennium Fund

Analyst: Freeman

## Historical Summary

OPERATING BUDGET	FY 2003 Total App	FY 2003 Actual	FY 2004 Approp	FY 2005 Request	FY 2005 Gov Rec
<b>BY FUND CATEGORY</b>					
Dedicated	3,579,200	3,579,200	224,700	3,533,200	1,939,700
Percent Change:		0.0%	(93.7%)	1,472.4%	763.2%
<b>BY OBJECT OF EXPENDITURE</b>					
Trustee/Benefit	3,579,200	3,579,200	224,700	1,645,400	0
Lump Sum	0	0	0	1,887,800	1,939,700
<b>Total:</b>	<b>3,579,200</b>	<b>3,579,200</b>	<b>224,700</b>	<b>3,533,200</b>	<b>1,939,700</b>

## Division Description

### Tobacco Settlement Background

In November 1998, the attorneys general and other representatives of 46 states signed an agreement with the largest tobacco manufacturers ending a legal battle between the states and the industry that began in 1994. While payments are expected to continue in perpetuity, the settlement requires the tobacco manufacturers to pay the states \$206 billion over the next 25 years, of which Idaho will receive a total of approximately \$790 million.

### Millennium Fund Enabling Legislation

The Idaho Millennium Fund was established by the legislature in 2000 as an endowment fund structure to receive, invest and disburse funds received by the State of Idaho under the tobacco Master Settlement Agreement reached between participating states and tobacco product manufacturers. This fund preserves the long-term capital value of these moneys through a distribution rule which provides that five percent of the fund's average market value is made available for legislative appropriation each fiscal year. Fund investments are managed by the State Treasurer, who is the constitutional officer charged with the responsibility of managing state funds. Up until 2003, when the entire Millennium Fund was liquidated, the Treasurer invested the fund in a diversified portfolio, which included 30% in domestic bonds, 50% in US common stocks, and 20% in non-US stocks.

### Millennium Income Fund Grants

In 2002, HB 486a created the Joint Millennium Fund Committee, which is made up of five senators and five representatives, and is charged with reviewing grant applications and providing a funding recommendation to the legislature. There is no specification in law with regard to how the monies in the Millennium Fund shall be used, but the Joint Millennium Fund Committee has chosen to only consider applications for programs and projects directly related to one or more of the following: (1) tobacco cessation or prevention; (2) substance abuse cessation or prevention; or (3) tobacco or substance abuse related disease treatment. In addition, the committee has determined that funds may not be used for permanent capital improvements or organizational start-up costs.

### Appropriations

Beginning in FY 2004, the appropriated amount in the Millennium Fund budget only represents moneys appropriated to non-governmental organizations. Millennium Fund moneys appropriated to state agencies are transferred by the State Controller from the Millennium Income Fund to the agency, and are reflected in each individual agency budget.

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## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2004 Original Appropriation</b>	<b>0.00</b>	<b>0</b>	<b>224,700</b>	<b>0.00</b>	<b>0</b>	<b>224,700</b>
Removal of One-Time Expenditures	0.00	0	(224,700)	0.00	0	(224,700)
<b>FY 2005 Base</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>
1. Cat. Fund - Reduce County Deductible	0.00	0	500,000	0.00	0	500,000
2. Public Health Districts	0.00	0	523,800	0.00	0	515,000
3. Health & Welfare-Tobacco Counter Mktg.	0.00	0	500,000	0.00	0	500,000
4. Idaho State Police	0.00	0	94,000	0.00	0	94,000
5. Idaho Supreme Court	0.00	0	270,000	0.00	0	270,000
6. American Lung Ass'n of Idaho/Nevada	0.00	0	157,200	0.00	0	0
7. Youth Tobacco-Free Coalition	0.00	0	250,000	0.00	0	60,700
8. Log Cabin Literary Center	0.00	0	46,000	0.00	0	0
9. Comm. Crusade Against Drug Abuse	0.00	0	131,300	0.00	0	0
10. KNIN Television	0.00	0	240,700	0.00	0	0
11. Idaho Primary Care Association	0.00	0	411,200	0.00	0	0
12. Lifeline Education	0.00	0	189,000	0.00	0	0
13. Institute for Clinical Hypnotherapy	0.00	0	220,000	0.00	0	0
<b>FY 2005 Total</b>	<b>0.00</b>	<b>0</b>	<b>3,533,200</b>	<b>0.00</b>	<b>0</b>	<b>1,939,700</b>
Change from Original Appropriation	0.00	0	3,308,500	0.00	0	1,715,000
% Change from Original Appropriation			1,472.4%			763.2%

# Idaho Millennium Fund

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2004 Original Appropriation</b>	0.00	0	224,700	0	224,700
<b>Removal of One-Time Expenditures</b>					
Agency Request	0.00	0	(224,700)	0	(224,700)
Governor's Recommendation	0.00	0	(224,700)	0	(224,700)
<b>FY 2005 Base</b>					
Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0
<b>1. Cat. Fund - Reduce County Deductible</b>					
This request would provide funding for the Catastrophic Health Care program to reduce county deductible payments in caring for indigent persons with tobacco-related diseases. This program has been funded every year since the inception of the Millennium Fund.					
Agency Request	0.00	0	500,000	0	500,000
Governor's Recommendation	0.00	0	500,000	0	500,000
<b>2. Public Health Districts</b>					
This request would provide continued funding to the Public Health Districts to provide and expand prevention and cessation services to all Idaho citizens, with primary emphasis on youth and pregnant women. In FY 2004, the Idaho Millennium Income Fund provided the Public Health Districts with \$515,000 for this program. This request represents a \$8,800 increase over FY 2004, which reflects a 1.9% inflationary increase and 1% Change in Employee Compensation (CEC).					
Agency Request	0.00	0	523,800	0	523,800
<i>The Governor's recommendation does not include funding for inflation or CEC.</i>					
Governor's Recommendation	0.00	0	515,000	0	515,000
<b>3. Health &amp; Welfare-Tobacco Counter Mktg.</b>					
This request would provide \$500,000 to continue a media campaign aimed at increasing awareness of the addictiveness of tobacco and the severity of the consequences of using it. This program has been funded at the same level as requested since FY 2001.					
Agency Request	0.00	0	500,000	0	500,000
Governor's Recommendation	0.00	0	500,000	0	500,000
<b>4. Idaho State Police</b>					
This request would be used to offset the cost of youth tobacco investigations, which are required by law. This program received funding in the same amount for FY 2003 and 2004.					
Agency Request	0.00	0	94,000	0	94,000
Governor's Recommendation	0.00	0	94,000	0	94,000
<b>5. Idaho Supreme Court</b>					
The Youth Courts program has received funding from the Millennium Fund for the past four years. The Status Offender Services program has received funding from the Millennium Fund for the past three years. The Supreme Court is requesting funding again at the same level it has received in the past to continue its efforts to support and evaluate a continuum of community-based juvenile prevention and intervention programs in each judicial district.					
Agency Request	0.00	0	270,000	0	270,000
Governor's Recommendation	0.00	0	270,000	0	270,000

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<b>6. American Lung Ass'n of Idaho/Nevada</b>					
This request would provide continued funding for a smoking cessation program -- Teens Against Tobacco Use (T.A.T.U.) and a cessation program -- Not on Tobacco (N-O-T). The T.A.T.U. program will help young people ages 14-17 teach 9-12 year old children avoid tobacco by providing them the tools to help them make the decision not to smoke. The N-O-T program is a research based smoking cessation program designed for teens and uses content and delivery tailored to the adolescent population. The goal is to continue expanding youth prevention and cessation programs to reach approximately 13,300 school students and teens statewide with some component of the project being conducted in each of the seven health districts. This program received \$148,600 in FY2003 and \$157,200 in FY2004.					
Agency Request	0.00	0	157,200	0	157,200
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>7. Youth Tobacco-Free Coalition</b>					
This request would provide funding for the development of a statewide community tobacco control program following the model of the Magic Valley Youth's Tobacco Free Coalition program. The community programs would develop a partnership between city and county agencies and the private sector.					
Agency Request	0.00	0	250,000	0	250,000
<i>The Governor recommends passing funding for this proposed statewide program through the Division of Health Services within the Department of Health &amp; Welfare.</i>					
Governor's Recommendation	0.00	0	60,700	0	60,700
<b>8. Log Cabin Literary Center</b>					
This request would provide funding to expand Writers in the Schools (WITS), a program serving substance abuse prevention goals in southern Idaho schools. Support from the Millennium Fund would allow WITS to expand to 15 additional classrooms from the 36 classrooms it currently serves.					
Agency Request	0.00	0	46,000	0	46,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>9. Comm. Crusade Against Drug Abuse</b>					
This request would provide funding to the Community Crusade Against Drug Abuse Inc., the mission of which is to educate, motivate and empower youth to a higher awareness of the dangers of "gateway" drugs, and creating awareness that will prevent youth from starting alcohol, tobacco and substance abuse.					
Agency Request	0.00	0	131,300	0	131,300
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>10. KNIN Television</b>					
This request would provide funding for a television, website, and TV/radio PSA campaign targeted at educating youth about the serious health risks associated with tobacco use.					
Agency Request	0.00	0	240,700	0	240,700
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>11. Idaho Primary Care Association</b>					
This request would fund a smoking cessation campaign, "Break the Chain". This clinical plan would be implemented as a joint effort between the health care staff of Community Health Centers (CHCs) and the Idaho Primary Care Association. The proposal would allow the CHCs to hire 4.5 tobacco health educators, buy pharmaceuticals, and establish science based tobacco cessation clinical programs in CHC clinics.					
Agency Request	0.00	0	411,200	0	411,200
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>12. Lifeline Education</b>					
This request would provide funding for production of the video portion of the curriculum "The Bully Prevention, Character Development Program" and to reproduce the entire package and gift it to each Idaho school district, Idaho Boys and Girls Club, Idaho YMCA, and to offer workshops to train teachers for this program.					
Agency Request	0.00	0	189,000	0	189,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>13. Institute for Clinical Hypnotherapy</b>					
This request would provided funding to deliver clinical hypnosis to people who wish to stop smoking.					
Agency Request	0.00	0	220,000	0	220,000
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>FY 2005 Total</b>					
Agency Request	0.00	0	3,533,200	0	3,533,200
Governor's Recommendation	0.00	0	1,939,700	0	1,939,700
Agency Request					
Change from Original App	0.00	0	3,308,500	0	3,308,500
% Change from Original App			1,472.4%		1,472.4%
<i>Governor's Recommendation</i>					
Change from Original App	0.00	0	1,715,000	0	1,715,000
% Change from Original App			763.2%		763.2%

# Millennium Fund Issues & Information

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## History of Idaho Millennium Income Fund Appropriations

Agency / Organization	FY 2001	FY 2002	FY 2003	FY 2004
Boise State University	-	\$95,000	\$121,000	-
Catastrophic Health Care				
County Deductible	\$735,000	\$735,000	\$435,000	\$435,000
State Share	-	-	\$1,251,400	\$400,000
Children's Trust Fund	\$100,000	\$200,000	\$150,000	-
Public Health Districts	\$500,000	\$506,500	\$515,200	\$515,000
Dept. of Health & Welfare				
Tobacco Counter Marketing	\$500,000	\$500,000	\$500,000	\$500,000
Adolescent Pregnancy Prev.	-	\$400,000	-	-
Small Bus. Health Ins.	-	-	\$50,000	-
Collection of Baseline Data	\$200,000	-	-	-
American Lung Association	-	-	\$148,600	\$157,200
American Cancer Society				
Cancer Camp	-	-	\$34,000	-
Magic Valley Youth Tobacco	-	-	\$10,000	-
Idaho State Police	-	-	\$94,000	\$94,000
Idaho Supreme Court	\$170,000	\$320,000	\$270,000	\$270,000
Blue Cross Foundation	-	-	-	\$67,500
Millennium Fund Committee*	\$100,000	-	-	-
<b>TOTAL</b>	<b>\$2,305,000</b>	<b>\$2,756,500</b>	<b>\$3,579,200</b>	<b>\$2,438,700</b>

\* This money was appropriated "for the Legislature for deposit in the Legislative Account for Millennium Fund Legislative Subcommittee technical support services." The money is now used to pay expenses relating to the biannual meetings of the Joint Millennium Fund Committee.